

AMENDMENTS TO THE DRAWINGS

The attached sheets of drawings include changes to Figures 10 and 15. These sheets replace the original sheets including Figures 10 and 15. In Figure 10, the previously omitted number 1030 has been added. In Figure 15, the previously omitted number 1 has been added to reference C to read 1C. Additionally, in Figure 15, the line has been shifted to the left to connect decision block 1557 and 1560.

Attachment: Replacement Sheets
 Annotated Sheet Showing Changes

REMARKS

Applicants thank the Examiner for his careful examination of the application. In view of the above amendments and the following remarks, favorable reconsideration of the application is respectfully requested.

1. Claim Objections Under 35 U.S.C. §112:

The Examiner has objected to claims 5, 8, 9, 14, 17, 18, 21, 26, 27, and 31 due to the inclusion of word processing errors. Applicant has amended the claims to correct the word processing errors.

2. Claim Rejections Under 35 U.S.C. §112:

A. Rejections under 35 U.S.C. § 112, First paragraph

The Examiner has rejected claims 7-13, 17, 19-21, 26 and 31 for failing to meet the written description of 35 U.S.C. § 112, first paragraph. *See* MPEP § 706.03(c). Applicant respectfully disagrees with the examiner and traverses these rejections. Applicant believes the Examiner has failed to present a prima facie case of non-compliance with 35 USC § 112, first paragraph for failure to meet the written description requirement. Moreover, even if a prima facie case for the rejection had been set forth by the Examiner, Applicant believes that the disclosure provides ample support for compliance with both the written description and enablement requirements of 35 USC § 112, first paragraph.

An applicant shows possession of the claimed invention by describing the claimed invention with all of its limitations using such descriptive means as words, structures, figures, diagrams, and formulas that fully set forth the claimed invention. *Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 1572, 41 USPQ2d 1961, 1966 (Fed. Cir. 1997). There is a strong presumption that an adequate written description of the claimed invention is present when the application is filed. *In re Wertheim*, 541 F.2d 257, 263, 191 USPQ 90, 97 (CCPA 1976.) A description as filed is presumed to be adequate; unless or until sufficient evidence or reasoning to the contrary has been presented by the examiner to rebut the presumption. See, e.g., *In re*

Marzocchi, 439 F.2d 220, 224, 169 USPQ 367, 370 (CCPA 1971). The examiner, therefore, must have a reasonable basis to challenge the adequacy of the written description. The examiner has the initial burden of presenting by a preponderance of evidence why a person skilled in the art would not recognize in an applicant's disclosure a description of the invention defined by the claims. *Wertheim*, 541 F.2d at 263, 191 USPQ at 97.

In his rejection, the Examiner has failed to overcome the "strong presumption" afforded to applicant that an adequate written description of the claimed invention was present when the application was filed. The Examiner has failed, as expressly required by the MPEP, to provide any reason why a person skilled in the art at the time the application was filed would not have recognized that Applicant was in possession of the invention as claimed in view of the disclosure of the application as filed. Accordingly, the Examiner has failed to establish a *prima facie* case of insufficiency of a written description under 35 U.S.C. § 112, first paragraph. Applicant, therefore, respectfully requests that this rejection be withdrawn.

In any event, the specification meets and exceeds the written description requirement of 35 USC § 112, first paragraph. Even if the Examiner had established a *prima facie* case for insufficiency of the written description of Applicant's disclosure, Applicant respectfully submits that such a rejection would have been improper because both requirements are clearly satisfied by the disclosure. Applicant has described in intricate detail the functions of the software aspects of the present invention. In fact, Applicant has gone above and beyond the minimum disclosure described in the *Fonar* opinion by providing flow charts of the functionality of the software aspect of the present invention. See *Fonar Corp. v. General Electric Co.*, 107 F.3d 1543, 1549, 41 USPQ2d 1801, 1805 (Fed. Cir. 1997).

Specifically, with respect to the limitation of Claims 7-13, Applicant has included a description in the specification of designating one or more geographic club member areas through use of ZIP codes. See Application, page 7 to 8. In addition to this criteria used to designate geographic club member areas, additional factors are considered, such as the likelihood of enrolling a sufficient number of consumer and buyer members based on demographics and statistics. The Examiner implies that further elaboration is warranted in the claims. The use of the demographics and statistics to further evaluate the geographic club member area, which is already based on ZIP codes, is clear and definite from a reading of the specification and claims. The same is true for the additional factors that may be considered in Claims 8-13 when designating a geographic club member area.

With respect to the limitation of Claim 9, the Examiner states the language is indefinite as it appears to require determining the state of mind of potential retail members or on the outcome of a predictive algorithm. The Examiner relies on the language in the Claim reading "...determining the geographic location of said club member areas based on the number and nature of potential retailer members likely to allow competition-based incentives to drive..." Applicants believe that this claim is further explained in the specification on page 8, which reads "[w]hether or not market data suggest potential members within the member area are likely to respond to active and passive recruitment programs defined by the club business model." Accordingly, the query claimed in Claim 9 actually refers to the use of market data and should be so interpreted.

Claim 1 has been amended to reflect that the buyer must agree to work in the area.

The Examiner has rejected Claim 13 on the basis that the difference between active and passive recruitment is not elucidated. Applicant disagrees. The specification is filled with examples of both passive and active recruitment. Active recruitment is the advertising of the service, while passive recruitment will rely on the offer of incentives to members. See page 9, line 25 to page 10, line 33.

The Examiner has rejected Claim 17 on the basis that the description appears to contain only general remarks directed to the purported benefits of membership. Applicant disagrees. The specification clearly notes that a benefit of membership is incentive based in that the members are named in the 30 Minute Mall retailer grid. See page 10, lines 23 to 28.

The Examiner has rejected Claim 19 on the basis that Applicant has failed to elucidate how the incentives to buyer members allow them to become independent business persons. As noted by the Examiner, Applicant describes the incentives for a buyer, which includes a meticulously-developed plan for a buyer to become a self-employed business person. The specification illustrates that the buyer members automatically receive clients and orders. See page 40, lines 15-22. Clearly, one in the delivery field would understand this model as allowing a buyer to become an independent business person.

Applicant agrees with the Examiner's interpretation of Claims 20 and 21.

The Examiner has rejected Claim 26 on the basis that there does not appear to be elaboration of designating a period or how to measure schedule ...expected purchase activity... or of requiring a designated buyer member to fulfill. Applicant disagrees. The specification

notes that system may include a Geographic Information System to provide for the assignment of buyer members on the basis of their location, and to allow realtime, graphical observation of order fulfillment status by consumer members. See page 5, lines 14-17.

Applicant agrees with the Examiner's definition of wireless in respect of Claims 8, 29, 30 and 31.

B. Rejections under 35 U.S.C. § 112, Second paragraph

The Examiner has rejected claims 14, 27, 31, 5, 12, 7, 8, 10, 6 and 11 on the basis that the claims are indefinite in that they fail to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Definiteness of claim language must be analyzed, not in a vacuum, but in light of: (A) The content of the particular application disclosure; (B) The teachings of the prior art; and (C) The claim interpretation that would be given by one possessing the ordinary level of skill in the pertinent art at the time the invention was made. M.P.E.P. § 2173.02.

With respect to various terms that the Examiner has identified as indefinite, Applicant has amended Claims 6, 11, 14, 27, 31, 5, 12, 8, 10 and 18 to delete the indefinite terms, although Applicant does not believe such terms were indefinite. In respect of Claims 7, 12, and 31 Applicant does not believe the terms identified by the Examiner are in fact indefinite. The terms "likelihood" and "sufficient" have been utilized in Claim 7 to explain the criteria of determining the geographic location of club member areas based on the number of members likely to join based upon demographics and statistics. The criteria depends upon the demographics and statistics of the area and people in the area and thus fluctuates.

Accordingly, Applicant has demonstrated that the limitations which the examiner rejected on the basis that they did not meet the written description requirement have been adequately and intricately described in the disclosure to sufficiently demonstrate possession of the claimed invention at the time of filing to one reasonably skilled in the relevant art.

For the foregoing reasons, Applicant respectfully requests that the Examiner's rejections be withdrawn and all claims in the subject application be permitted to proceed to allowance. The Examiner has previously indicated that Claim 31 would be allowable if rewritten or amended to overcome the rejections under 35 U.S.C. § 112, claim objections, and

drawing corrections. Applicants believe that Claim 31 has been so amended.

3. Claim Rejections Under 35 U.S.C. § 103(a)

The Examiner has rejected Claims 1-31 as being unpatentable over U.S. Patent 6,587,835 to *Treyz* in view of U.S. Patent 6,628,307 to *Fair* and further in view of an article in *The Economist*, Survey:E-commerce: Distribution Dilemmas, London, 26 February 2000, vol. 354, Iss. 8159, p. S27. Applicant respectfully traverses this rejection. The Examiner has failed to establish a prima facie case of obviousness by failing to establish that it would have been obvious to someone skilled in the art to combine *Treyz*, *Fair* and *The Economist* to result in Applicant's invention. Nor does the Examiner establish that such combination would result in Applicant's invention.

A. The Examiner has failed to make a prima facie case of obviousness to combine the references.

In order to establish obviousness, three basic criteria must be met: 1) there must be some suggestion or motivation to modify the references or to combine reference teachings; 2) there must be a reasonable expectation of success; and 3) the prior art references must teach or suggest all of the claim limitations. M.P.E.P. § 2143. The references, neither alone nor in combination, teach, show, or suggest (1) the use of membership fees with a consumer, a buyer and a retailer; (2) providing a club website specific to a club member area; and (3) fulfilling purchases by having a delivery service buy the products from the merchants, deliver the products to the users to a location within the club area within approximately 30 minutes and collecting a payment from the users. Furthermore, the Federal Circuit recently reemphasized that the U.S. Patent and Trademark Office bears the burden of establishing a case of prima facie obviousness by particularly identifying any suggestion, teaching, or motivation to combine or modify references. *In Re Dembiczak*, 50 U.S.P.Q.2d 1614 (Fed. Cir. 1999). The mere recitation by the Examiner of known membership fees for providers and delivery services for internet orders does not amount to particularly identifying a suggestion, teaching, or a motivation to combine or modify the references. The Examiner has not particularly identified any suggestion, teaching, or motivation to combine or modify the references; therefore, the Examiner has not established a prima facie showing of obviousness. Applicants submit that the rejection has been obviated and respectfully

request the Examiner to withdraw the rejection.

Claims 1-31 were rejected as being obvious over *Treyz*, *Fair* and *The Economist*. This rejection is respectfully traversed. *Treyz* discloses a handheld computing device that is primarily directed to providing a shopper with assistance while the shopper is physically in a store. The device may provide directory information, shopping lists, promotional material, and information on products. See *Treyz*, Col. 1, lines 41-48 and Col. 2, lines 46-56. The handheld device is designed to be carried throughout the store. *Fair* discloses a graphical user interface arranged according to buildings in a town, each building containing a sub-menu of provider sites. See *Fair*, Col. 1, line 66 to Col. 2, line 17. An internet shopper may select goods or services from several different provider sites from one or more buildings and pay for all selections with a single command. *The Economist* discloses e-commerce distribution and delivery systems, but does not teach of a system whereby the delivery system is the buyer who delivers to a consumer.

In contrast to the above references, Applicant's invention provides for an on-line shopping club that integrates extremely rapid fulfillment with on-line shopping convenience, something which the references do not teach.

B. The Examiner has failed to establish that *Treyz*, *Fair* and *The Economist* teach or suggest all the limitations of Independent Claim 1

The Examiner has failed to establish that the combination of *Treyz*, *Fair* and *The Economist* teach or suggest all of the limitations of independent Claim 1 of the present application. Addressing specifically the statements made by the Examiner in this respect and utilizing the Examiner's numbering system, Applicants point out the following:

1.1 The Examiner states "*Treyz* discloses designating one or more Internet Malls." *Treyz*, in fact does not disclose, "designating one or more Internet Malls." At best, *Treyz* describes a handheld device that can be utilized in an actual shopping mall. Thus, the system described in *Treyz* does not teach of an internet mall, nor does *Treyz* teach of designating a geographic area. The language from *Treyz* cited by the Examiner in support of his statement (i.e., Col. 10, lines 4-16) has absolutely nothing to do with the statement itself. The subject language reads:

In some instances, mobile electronic devices such as shopping-cart mounted electronic devices or the like may be used to perform the functions of handheld computing devices such as handheld computers or the like. The features of the present invention are

described primarily in connection with handheld computing devices for clarity. Handheld computing device 12 may be used to interact with restaurant 14, department store 16, shopping mall 18, supermarket 20, and other merchants such as merchant 22. Handheld computing device 12 may be used to place orders and to obtain information on the products and services offered by such merchants. Handheld computing device 12 may also be used to display promotional materials provided...

This language yields absolutely no support to the Examiner's conclusion that *Treyz* discloses designating one or more Internet malls or geographic areas. Nowhere within the cited language does *Treyz* mention Internet malls.

1.2 The Examiner states that *Treyz* discloses, "associating with each said Internet Mall one or more users who reside within said Internet Mall" and refers to Figure 3 and related text. Figure 3 shows how the handheld device can produce a shopping list that can be referenced by the user at the store or provided to the merchant. Although *Treyz* mentions that certain items can be designated for home delivery, it does not disclose a club member area, a delivery system, club membership, a membership fee or designating a membership area.

1.3 The Examiner states that *Treyz* discloses "associating with each Internet Mall one or more delivery services that must be prepared to work within said Internet Mall." The Examiner, in support of his statement, cites to Col. 2, lines 63-67 and Col. 10, line 56 to Col. 11, line 39. The disclosure in Col. 2 simply refers to an information screen that can be displayed on the handheld device which may include a directory, maps or specials. The cited language does not mention a delivery service. The disclosure in Col. 10 and Col. 11 refers to a fulfillment facility for grocery orders. The disclosure does not teach of associating buyer members with a club member area wherein buyer members must pay a membership fee to provide such service.

1.4 The Examiner states that *Treyz* discloses "associating with each said Internet Mall one or more merchants who must offer products for sale within said Internet Mall" and refers to Figure 15. However, *Treyz* does not disclose retailer members limited to a club member area nor retailer member who must pay a membership fee.

1.5 The Examiner states that *Treyz* discloses "providing means through an electronic communications network for said users, delivery services and merchants to access an Internet

Mall specific to said Internet Mall and to interact with said Internet Mall” and refers to Figure 14. *Treyz* does not disclose a club website specific to a club member area accessible by consumer members, buyer members and retailer members.

1.6 The Examiner states that *Treyz* discloses “providing means through an electronic communications network for said users, delivery services and merchants to each access an individual member web page located on said Internet Mall and personalized using parameters specific to each such user, delivery service and merchant.” The Examiner cites to Figures 1, 2 and 9 and Col. 3, lines 16-25. None of these references refer to an individual member web page located on the club website and personalized with each party’s information. Col. 3, lines 16-25 simply refers to the ability of the handheld device to store a personalized shopping list. This is not a personalized web page available on a club website.

1.7 The Examiner states that *Treyz* discloses “providing means for said merchants to offer one or more products for sale on said Internet Mall to said users” and refers to Col. 9, line 56 to Col. 11, line 39. *Treyz* does not disclose a club website on which retailer members can offer one or more products for sale.

1.8 The Examiner states that *Treyz* discloses “providing means for said users to purchase products offered for sale on said Internet Mall” and refers to Col. 9, line 56 to Col. 11, line 39. *Treyz* does not disclose a club website on which retailer members can offer one or more products for sale.

1.9 The Examiner states that *Treyz* discloses “providing means for said delivery services to be notified of purchases made by said users and to offer to said merchants to fulfill said purchases.” The Examiner cites to Figures 21 and 25 and Col. 2, lines 63-67, Col. 10, line 56 to Col. 11, line 39. The Examiner acknowledges that *Treyz* does not disclose membership fees. The Examiner relies on *Fair* as disclosing membership fees for providers. *Fair* does not teach membership fees to be paid by consumers or buyers, let alone involving buyers into the delivery process at all. Accordingly, the combination of *Treyz* and *Fair* do not contain every element of Claim 1.

1.10 The Examiner states that *Treyz* discloses "the use of various delivery fulfillment services" and that *The Economist* discloses "geographic-area fulfillment with 30 minute window selection." However, the Examiner acknowledges that *Treyz* does not disclose fulfilling the purchases by having the delivery services buy the products from the merchants, deliver the products to the users at a location within the geographic area within 30 minutes, and collect a payment from the users. Accordingly, *The Economist* and *Treyz* do not make this portion of Claim 1 obvious.

Because Independent Claim 1 is not obvious, Claims 1-30 which depend from Claim 1 are also not obvious.

CONCLUSION

Applicants submit that this Amendment and Response, if entered, places Claims 1-31 in a condition for allowance and respectfully requests that such action be taken by the Examiner at this time.

Should a telephone conference be necessary to assist the Examiner's evaluation of this application, a telephone call to the undersigned at (305) 448-7089 is respectfully solicited.

Dated: August 1, 2005

By: 

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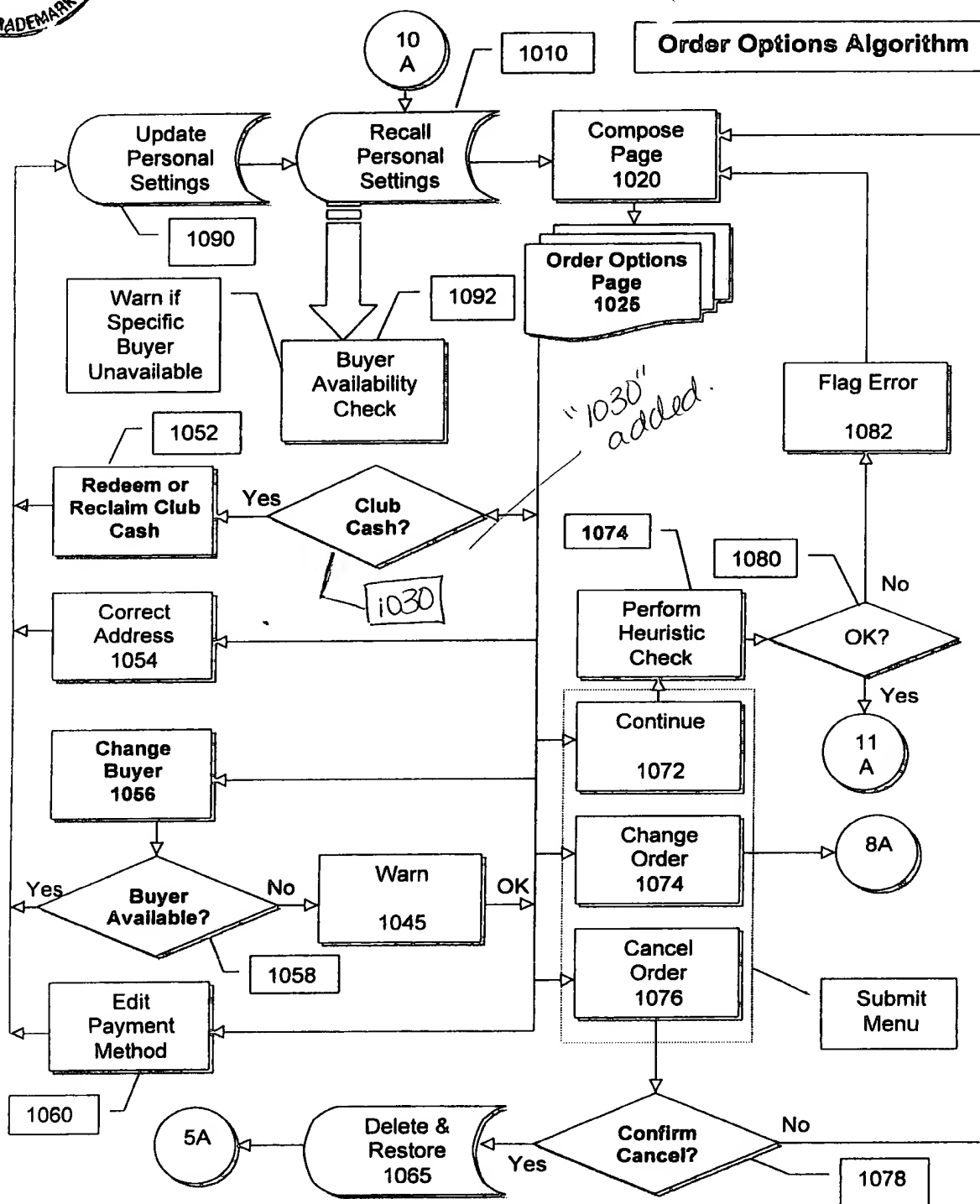


Figure 10

